GOVERNMENT OF INDIA
PLANNING
LOK SABHA

UNSTARRED QUESTION NO:4376
ANSWERED ON:22.08.2001
INVESTMENT IN AGRICULTURE
PRAKASH V. PATIL

Will the Minister of PLANNING be pleased to state:

(a) the details of sectoral investment made for Agriculture in the Ninth Plan and the revised requirement at present;

(b) whether it is a fact that there has been substantial reduction in the revised requirement;

(c) if so, the details thereof;

(d) whether it is also a fact that the actual investment in the first three years of the Plan have been only 44 percent of the revised requirement; and

(e) if so, the reasons therefor and steps taken by the Government to achieve the plan targets?

Answer

MINISTER OF STATE (INDEPENDENT CHARGE) OF THE DEPARTMENT OF INVESTMENT, MINISTER OF STATE IN TH MINISTRIES OF PLANNING, STATISTICS & PROGRAMME IMPLEMENTATION AND MINISTER OF STATE IN THE DEPARTMENT OF ADMINISTRATIVE REFORMS AND PUBLIC GRIEVANCES (SHRI ARUN SHOURIE)

(a) to (d): The sectoral investment requirement for agriculture during the Ninth Plan was Rs.245.7 thousand crore at 1996-97 prices. In the Mid-Term Appraisal of the Ninth Five Year Plan, the revised plan requirement for agriculture has been estimated at Rs. 230.5 thousand crore at 1996-97 prices. Despite the reduction in the investment requirement for agriculture and allied activities to the tune of Rs.15.2 thousand crore, the actual investment during the first three years of the Ninth Plan (1997-98 to 1999-2000) has been only 44 per cent of the revised requirements.

(e): Since for most part, investment in the agriculture sector lies in the domain of States and of the private sector, improvement in the fiscal position of the State Government is essential for revival of investment in this sector. With regard to steps taken by the Government, during the current year`s Budget substantial allocations have been provided for strengthening the infrastructure for the development of agriculture. As the provision of adequate credit flow is critical for agricultural production, an additional flow of credit to the tune of Rs.10,500 crore is expected during 2001-02. Other provisions such as additional funds for construction of roads under Pradhan Mantri Gramin Sadak Yojana (Rs.2500 crore),enhanced allocation for rural electrification (Rs.750 crore) etc. have also been made. Such measures will help in enhancing investment in agriculture.